IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS MARSHALL DIVISION

| SEMCON IP INC., | <pre> § Case No. 2:16-CV-00437-JRG-RSP § (LEAD CASE)</pre> |
|---------------------------------|--|
| Plaintiff, v. | \$ \$ \$ |
| HUAWEI DEVICE USA INC., ET AL., | § JURY TRIAL DEMANDED § § |
| Defendants. | § |
| SEMCON IP INC., | <pre> § Case No. 2:16-CV-00441-JRG-RSP § (CONSOLIDATED CASE)</pre> |
| Plaintiff, | § § JURY TRIAL DEMANDED |
| v. | § § |
| ZTE CORPORATION, ET AL., | \$ \$ \$ |
| Defendants. | § |

JOINT NOTICE OF CERTAIN AGREEMENTS REGARDING MOTIONS IN LIMINE FILED BY PLAINTIFF SEMCON IP INC. AND DEFENDANTS ZTE (USA), INC. AND ZTE (TX), INC.

Plaintiff Semcon IP Inc. ("Semcon" or "Plaintiff") and Defendants ZTE (USA), Inc. and ZTE (TX), Inc. (collectively, "ZTE" or "Defendants") respectfully give notice that they have reached agreement regarding the following motions *in limine*. The parties' agreement on these motions *in limine* is reflected in the agreed language below:

1. Agreement Resolving Semcon's Motion in Limine No. 1:

ZTE shall not make derogatory references regarding Non-Practicing Entities. However, factual evidence on the nature of these companies' business models and non-derogatory statements (i.e., the term Non-Practicing Entity and that such an entity does not make any

products or practice the asserted patents) are not excluded to the extent relevant to the parties' claims or defenses.

2. Agreement Resolving Semcon's Motion in Limine No. 2:

The parties shall not make derogatory references regarding the Patent and Trademark Office ("PTO") (*e.g.*, that the PTO examiners are unqualified or incompetent). However, non-derogatory statements (*e.g.*, that sometimes the PTO makes mistakes and that it is the jury's job to decide validity at trial) are not excluded to the extent relevant to the parties' claims or defenses.

3. Agreement Resolving Semcon's Motion in Limine No. 3:

The parties shall not reference the Court's reasoning or statements from the claim construction order.

4. Agreement Resolving Semcon's Motion in Limine No. 4:

ZTE shall not reference pending inter *partes* review proceedings, provided that Semcon does not open the door. Reference to the inter *partes* reexamination of the '061 patent does not constitute opening the door.

5. Agreement Resolving Semcon's Motion in Limine No. 6:

ZTE shall not introduce testimony, evidence, or argument related to litigation funding. However, the parties' agreement does not preclude inquiry into any testifying witness's own financial interests in this litigation.

6. <u>Agreement Resolving Semcon's Motion in Limine No. 8 and ZTE's Motion in Limine No. 7 In-Part:</u>

ZTE shall not introduce testimony, evidence, or argument related to Semcon's finances, or the finances of its parent company, predecessors-in-interest, or related entities, including their net worth, accumulated debt, market capitalization, or stock value. Semcon shall not introduce

testimony, evidence, or argument related to ZTE's overall size, market power, overall financial status, net worth, market capitalization, or stock value.

7. Agreement Resolving Semcon's Motion in Limine No. 9:

ZTE shall not introduce evidence that United Wireless financed the acquisition of the Asserted Patents.

8. Agreement Resolving Semcon's Motion in Limine No. 14 and ZTE's Motion in Limine No. 5:

The parties shall not introduce evidence of discovery disputes, deficiencies, or discovery obligations. This agreement does not prevent any party from arguing that the opposing party has failed to provide sufficient evidence to meet its burden of proof on any claim, defense, or cause of action.

9. Agreement Resolving Semcon's Motion in Limine No. 17:

ZTE shall not reference Semcon's election of patent claims to streamline this litigation by dropping patents or patent claims. Semcon shall not reference ZTE's election of prior art to streamline this litigation. Each party shall not to use the opposing party's efforts to streamline this litigation in an offensive manner.

10. Agreement Resolving Semcon's Motion in Limine No. 18:

ZTE shall not argue that Plaintiff engaged in "forum shopping," "litigation abuse," or that this District is a popular venue for patent holders.

11. Agreement Resolving Semcon's Motion in Limine No. 20:

The parties shall not reference whether an expert has been excluded in a prior case. However, this agreement does not prevent prior expert testimony from being used for impeachment.

12. Agreement Resolving Semcon's Motion in Limine No. 21:

For any witness appearing live at trial, the parties agree not to introduce testimony via deposition designation, except for purposes of impeachment.

13. Agreement Resolving ZTE's Motion in Limine No. 1:

Semcon shall not present infringement evidence related to the documents bearing the "HUASC bates labels that were not produced to ZTE.

14. Agreement Resolving ZTE's Motion in Limine No. 3 in-Part:

Pursuant to the Court's Order (Dkt. 547), Semcon shall not argue or present evidence at trial concerning the following products: Nubia 5, Director, Overture 2, Speed, Concord II, Sonata 4G, Reef, ZTE Grand S/V988, Overture, Z998, Unico LTE, Source, Boost Max, Boost Warp, Imperial, Axon Pro, Force, Axon, Grand S Pro, Optik, Paragon, Lever, Cricket Engage LT/Engage, ZTE Fury, Warp/Warp Sequent, Anthem 4G, Avid 4G, Sprint Flash, Boost Max+, ZTE Zephyr, ZTE Warp Elite, ZTE Vital, ZTE Virgin Mobile Awe, ZTE Rapido LTE, Cricket Groove, Trek 2, ZTE Quest, Touch Screen Control, Cricket Engage, Citrine LTE, Atrium, Maven 2, ZMAX2, Max Duo LTE. ZTE maintains that this motion remains disputed in part, as ZTE contends that the ZTE Savvy should also not be referenced at trial for the same reasons articulated in the Court's order on ZTE's motion to strike (Dkt. No. 547).

15. Agreement Resolving ZTE's Motion in Limine No. 4:

Semcon shall not argue or present evidence that ZTE failed to obtain advice of counsel regarding non-infringement or invalidity.

16. Agreement Resolving ZTE's Motion in Limine No. 3 in-Part:

Semcon shall not make derogatory references regarding Chinese, Taiwanese, or Asian companies, people, or products due to nationality or ethnicity. However, factual evidence on the geographical origin of Defendants' companies or products is not excluded to the extent relevant

to the parties' claims or defenses. ZTE maintains that this motion remains disputed in part, as it contends that the geographical origin of its witnesses or its products' manufacture is not relevant to any claim or defense in this action.

17. Agreement Resolving ZTE's Motion in Limine No. 8:

Semcon shall not suggest that the Reexamination alters the clear and convincing standard for proving invalidity or strengthens the presumption of validity for the '061 patent. The parties shall be permitted to offer testimony, evidence, and argument referencing statements made during the Inter Partes Reexamination for the '061 patent to the extent relevant to the parties' claims or defenses.

18. Agreement Resolving ZTE's Motion in Limine No. 9 in-Part:

Semcon shall not present evidence or argument related to any criminal proceedings against ZTE Corporation for violating export control sanctions against Iran. This motion remains disputed in part, as the parties have not resolved whether reference to these proceedings against ZTE Corporation is improper impeachment subject matter for any witness who has been identified to testify at trial.

19. Agreement Resolving ZTE's Motion in Limine No. 10:

Semcon shall not reference communications or agreements between joint defendants.

This agreement shall not preclude the parties from referencing agreements, communications, or dealings between ZTE and its supplier Qualcomm.

20. Agreement Resolving ZTE's Motion in Limine No. 11:

Semcon shall not introduce evidence or argument regarding any of ZTE's witnesses' decision to testify in his or her native Chinese language.

21. Agreement Resolving ZTE's Motion in Limine No. 12:

Semcon shall not introduce any evidence or argument regarding (1) direct infringement by ZTE of the Asserted Method Claims, (2) induced or contributory infringement by ZTE of the Asserted Claims prior to the filing date of the Complaint, (3) willful infringement of the Patents-in-Suit, or (4) infringement of any of the Asserted Claims under doctrine of equivalence.

Dated: March 16, 2018 Respectfully submitted,

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Dated: March 16, 2018

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ATTORNEYS FOR DEFENDANTS ZTE (USA), INC. and ZTE (TX), INC.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that, on March 16, 2018, all counsel of record who are deemed to have consented to electronic service are being served with a copy of this document via the Court's CM/ECF system per Local Rule CV-5(a)(3).

/s/ Alfred R. Fabricant
Alfred R. Fabricant